# 6/21/78

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 6/21/78; Container 82

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff\_Secretary.pdf

# WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Мето	Harold Brown to Pres. Carter, w/attachments 8 pp., re:Drug use in the Military	6/19/78	A
· · · · · · · · · · · · · · · · · · ·	•		
·		·	
٠			v.
gardin and a second a second and a second an			
			M 50
		4	
			•
FILE LOCATION			

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential Handwriting File, 6/21/78 Box 92

#### RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
   (B) Closed by statute or by the agency which originated the document.
   (C) Closed in accordance with restrictions contained in the donor's deed of gift.

# THE PRESIDENT'S SCHEDULE

# Wednesday - June 21, 1978

7:15	Dr. Zbigniew Brzezinski - The Oval Office.
7:45	Mr. Dan Tate and Mr. Bill Cable - The Oval Office.
7:55 (1 min.) 8:00 (60 min.)	Rep. Marty Russo and Mr. Robert A. Macari. (Mr. Frank Moore) - The Oval Office. Breakfast with Congressional Leaders. (Mr. Frank Moore) - First Floor Family Dining Room.
9:15 (20 min.)	Meeting with Congressional Leaders/Energy. (Mr. Frank Moore and Mr. Stuart Eizenstat). The Cabinet Room.
10:30	Mr. Jody Powell - The Oval Office.
10:45 (5 min.)	Greet Members of the National Commission for the Review of Antitrust Laws and Procedures. (Mr. Robert Lipshutz)-The Rose Garden.
11:05	Depart South Grounds via Motorcade en route The Pan American Union.
11:15	Remarks at the Opening Session of the 8th General Assembly of the Organization of American States.
12:15 (10 min.)	Greeting/Photographs - The Oval Office.
12:30	Lunch with Mrs. Rosalynn Carter - Oval Office.
2:00 (10 min.)	Drop-By Civil Service Reform with Corporate Representatives and Trade Association Executives. (Mr. Hamilton Jordan) - The East Room.

4:30 White House Reception for the Lawyers' Committee for Civil Rights Under Law.
(Mr. Robert Lipshutz) - The State Floor.

WASHINGTON

June 21, 1978

0

MEMORANDUM FOR THE PRESIDENT

FROM:

PETER BOURNE T.B.

SUBJECT:

DRUG ABUSE IN THE MILITARY

As you requested, the following are suggested themes regarding drug abuse in the military which you may wish to raise in your note to Secretary Brown.

- 1. The Secretary should give this matter his highest priority and this Secretarial interest should be forcefully communicated to senior Defense and Service managers and commanders.
- 2. The seriousness of the issue concerns not only force readiness, but also continuing U.S. (and NATO) public support of an expensive standing peacetime military stationed abroad. As you indicated the drug abuse issue will be raised during your discussions with Chancellor Schmidt and other NATO leaders in July.
- 3. The issue of the general downgrading of DoD health services is perhaps best summarized by the testimony of former Assistant Secretary of Defense (Health Affairs) Robert Smith before the Wolff Committee in May 1978, when he stated that "the resources for health care by the Department of Defense are not adequate even for our present peacetime situation; they are woefully inadequate to meet possible wartime situation." Smith further noted in that testimony that this general assessment was supported by the Joint Chiefs of Staff in a letter from its Chairman, General Brown, to Secretary Brown in February 1978. Since this is an issue basic to overall force readiness, you may want to ask for a full briefing on this issue.
- 4. A valid, reliable drug abuse assessment system is essential. The plain fact is that nobody knows with any certainty the nature and extent of drug abuse in the military. This fact was the basic conclusion of the Office of Drug Abuse Policy sponsored DoD Assessment Review in 1977 and has been reamplified at each of the four hearings that the Wolff Committee has held on drug abuse in the military. It is politically embarrassing that we really don't know. DoD must develop a strong, reliable, independent drug abuse assessment program which is standardized throughout the Department. Such a program must supply reliable and valid trend data for the

MEMORANDUM FOR THE PRESIDENT FROM: PETER BOURNE

SUBJECT: DRUG ABUSE IN THE MILITARY

military, as well as identify problem areas or populations which need special attention. Such information is vital for the international management of the problem.

5. Since there is apparent disagreement between Secretary Brown and myself on effectiveness of random urinalysis as both an indicator and a deterrent, Brown should present an alternative plan for reliably understanding the nature and extent of the problem and go forward with a research project to determine the usefulness of random urinalysis as a deterrent. You asked Wolff and English for approval to use random urinalysis.

PGB:ss

L'ship breakfast 6/21/18

- Lobor lew reform

Turkey embargo

Civil service reform-vets

> Arrline- regul vs noise

> Hosp lost Contamment

1 PW vs Lab Int PW

> Tax reform - backward

Legislative vetoes - report & wait

Appropriations . 7478 + #36:1

7479 - ?

Panama

Electrostatic Copy Made for Programming Perposes

Low Com for Co Rb under Can

15 year Dervice Segal.

late Herrison Tweed

Lloyd Cuther, It. (3)

LA Spec respons.

You helped my publishers

When 100's of Cases

-> 1000's profees

Volunteers

Consciences circum.

Vance Calif

More & reone Aistance

S. Africa.

**Electrostatio Copy Made**for Preportation Perposes

CIVIL SERVICE REFORM
WELCOME = THANKS

(AMPBELL, MLI - EISEN

IMPORTANT

YOU COMPLAINRIMEWICKERY & Responsive,
Efficient, effective

Less RED TAPE- MORE
SERVICE

DIFFICULTY, INT CROUPS

RIGHTS of emp. Vets 
Waste \$ - Time, Takent

WASHINGTON

June 20, 1978

RECEPTION FOR MEMBERS OF THE LAWYERS' COMMITTEE FOR CIVIL RIGHTS UNDER LAW

Wednesday, June 21, 1978 4:30 PM (15 Minutes) The Residence - State Floor (Reception 4 - 5 PM)

From: Robert Lipshutz Margaret McKenna

#### I. PURPOSE

The meeting affords you an opportunity to meet with the members of the Committee on their 15th anniversary to publicly acknowledge and support their continuing commitment to civil rights.

## II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. <u>Background</u>: The Committee was founded on June 21, 1963 by President Kennedy in response to the burgeoning civil rights crisis. The Committee, which is supported primarily by private charitable foundations, has a fulltime staff of approximately 100 and a network of several hundred law firms and lawyers who volunteer their time.

#### B. Participants:

Charles A. Bane, Co-Chairman, Chicago, Ill. Thomas D. Barr, Co-Chairman, New York City Robert A. Murphy, Director

#### Former Co-Chairmen:

Bernard Segal, Philadelphia, Penna.
John W. Douglas, Washington, D. C.
George N. Lindsay, New York City
Lloyd N. Cutler, Washington, D. C.
John Doar, New York City
Roswell B. Perkins, New York City
Albert E. Jenner, Jr., Chicago, Ill.
Stephen J. Pollack, Washington, D. C.
Barbara Tweed (widow of Harrison Tweed), New York City

C. Press Plan: Open coverage of your remarks.

*:* 

•

WASHINGTON

June 20, 1978

MEMORANDUM TO THE PRESIDENT

FROM: JIM FALLOWS, ERIC SCHNURER

SUBJECT: Lawyers Committee for Civil Rights Under Law

- 1. Fifteen years ago in this room Bernard Segal, the late Harrison Tweed, Lloyd Cutler, and others, many of whom are present here met the challenge of protecting the basic civil rights of all Americans. The Lawyers' Committee for Civil Rights Under the Law has always been a leader in our struggle for social justice.
- 2. In Los Angeles I said that those of us in positions of power and privilege have a special responsibility to social justice. Organizations like yours help fulfill this obligation.
- 3. The Lawyers' Committee helped my predecessors fight threats to basic civil rights. You have worked to protect our system of justice and to help insure equal access to justice for all.
- 4. You have helped win hundreds of cases on which recent civil rights advances have been built. The Committee has

grown from a few volunteer lawyers into a nationwide network of thousands of our finest attorneys. When I was in Los Angeles I praised this type of social involvement.

- 5. I have brought into my Administration a number of leaders in the civil rights movement, such a Drew Days, Eleanor Holmes Norton, and David Tatel. They and other Administration officials, including Secretaries Vance and Califano, have a long-standing association with the Lawyers' Committee. Although we are holding down overall federal spending, we have significantly increased funding for civil rights. And we are reorganizing Equal Employment Opportunity Enforcement to make it more effective.
- 6. In South Africa you fund private attorneys to defend blacks charged with apartheid violations—an example of the commitment we share to human rights throughout the world.
- 7. All of you can share the satisfying feeling of having helped create a historic change—of having shaped the generation which brought us many steps nearer to true human equality than we had been at any other time in our history. That struggle continues, part of it led by the government—but the most profound and lasting changes are made by individual citizens and private organizations such as yours. That is why I salute you for your achievements, and look forward to your continuing leadership.

THE WHITE HOUSE
WASHINGTON
June 21, 1978

Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling Please inform other affected agencies.

Rick Hutcheson

cc: Jim McIntyre Frank Moore

CROSSOFLORIDA BARGE CANAL

WASHINGTON

June 20, 1978

MEMORANDUM FOR

THE PRESIDENT

FROM

STU EIZENSTAT KATHY FLETCHER Sh

SUBJECT:

Cross-Florida Barge Canal

Last year, in your Environmental Message, you made a detailed statement on the Cross-Florida Barge Canal, as follows:

- -- The Canal project should be deauthorized;
- -- the Oklawaha River should be studied as a potential Wild and Scenic River;
- -- the National Forest boundary in the area should be extended in order to protect the River; and
- -- the Secretaries of Army and Agriculture should develop a plan for restoring the Oklawaha River portion of the project area and disposing of other project lands and features.

These actions fulfill a campaign commitment you made in Florida.

Secretaries Alexander and Bergland completed their analysis of restoration of the River a few months ago. In the intervening time, we have worked with the affected Departments, Frank Moore's staff, OMB and CEQ to determine the soundness of the proposal and the best legislative strategy.

On Friday, the Senate Environment and Public Works Committee is holding hearings on legislation to deauthorize the Canal. In the Army testimony, we propose to support the deauthorization legislation and also at that time to put forward our proposal for restoration of the River. This memorandum describes the consensus recommendations of the Executive Office and the agencies, and asks for your specific approval of the restoration proposal you requested.

## The Restoration Proposal

Army, Agriculture, Interior, CEQ, EPA and the State of Florida developed a restoration proposal based on a study of many alternatives published last summer. Cliff Alexander's and Bob Bergland's letter to you is attached.

Their recommendation generally tracks the "moderate" options considered and would cost \$26 million total, to be expended over a four to six-year period. \$16 million of this amount is for purchase of the National Forest lands which would in effect reimburse the county and landowners in the area for the expenditures they made to provide land and easements to the Canal Authority. The remainder of the money is for the physical work of restoring the Oklawaha River and other project reaches.

The most controversial aspect of the restoration proposal is the draining of Rodman Pool, a reservoir originally intended as part of the navigation system. This is the heart of the restoration required, but there is a constituency for retaining the lake which is currently used by sport fishermen (although degradation of the lake is occurring and it may not be suitable for fishing in the future).

The Governor fully supports the restoration proposal, but the Senators -- who support deauthorizing the Canal -- have not yet taken a position in favor of draining Rodman Pool. Chiles probably will in the future; Stone is less certain. In the House, while there is substantial support for our position, there is still support for the Canal itself on the part of two or three Members of the Florida delegation (Chappell, Bennett).

Working with the Senators, we have decided to separate the restoration proposal from the deauthorization legislation, so that the less controversial deauthorization piece can move ahead first. We hope that the Congress will take up the restoration proposal soon after passage of deauthorization and have discussed this with both Senators. To spur prompt consideration of the restoration legislation, we will propose a time limit in the deauthorization bill.

# Agency Recommendations

OMB has cleared the restoration proposal.

Army, Agriculture, CEQ and Interior originally preferred that we insist on Congressional consideration of the deauthorization and restoration proposals as a <u>package</u>, but have agreed that the more realistic strategy is to separate the two issues.

The proposal was circulated for senior staff review as well and the only other comments made were from Frank Moore's staff who have helped to develop the current proposal.

I recommend that	you approve the proposed approach.	he f
	Approve (Consonaus) & would	
	Disapprove (Consensus) o cost	



#### SECRETARY OF THE ARMY WASHINGTON

2 7 FEB 1978

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We are pleased to respond to your directive of May 23, 1977, concerning disposal and restoration alternatives for the Cross Florida Barge Canal Project.

In cooperation with the Department of the Interior, the Environmental Protection Agency and the Governor and Cabinet of Florida, we have reviewed available studies on the Cross Florida Barge Canal project. Our findings are contained in the attached report entitled, "Alternatives for Restoration of the Oklawaha River Portion of the Cross Florida Barge Canal Project and for Disposition of Other Lands and Facilities Outside of the Oklawaha River Area."

The report presents an array of the alternatives that are considered appropriate for restoration of the Oklawaha River and disposition of the remaining lands and facilities; however, the report does not contain a specific recommendation. In order to develop such a recommendation, a meeting was convened with Federal representation from the Departments of the Army, Agriculture and the Interior, the Council on Environmental Quality, and the Environmental Protection Agency. The recommendation was developed without dissent. Representatives of the Governor and Cabinet of Florida participated in the discussions, and the Governor has recently taken a position favoring restoration of the Oklawaha River.

We recommend the following actions to restore the Oklawaha River portions of the project and to dispose of other project lands and facilities outside the Oklawaha River area. Descriptions of the reaches and actions referred to are contained in the report.

- 1. Reach 1. No restoration action is required since no work was done.
- 2. Reach 2. Minimum level restoration. In addition, a larger breach should be made in the Rodman Dam to eliminate any impediment in the flood

plain. The spillway and other above ground concrete and other structures should be removed in the spillway area as a safety measure. The constructed canal should be backfilled as necessary to alleviate any ground water and water quality problems. Total estimated Federal cost \$5,897,000.

- 3. Reach 3. Intermediate level restoration. In addition, the above ground concrete and other structures should be removed in the spillway area as a safety measure. Total estimated Federal cost \$2,009,000.
- 4. National Forest Boundary. Intermediate extension. Total estimated Federal Cost \$16,600,000.
- 5. Reach 4. Abandonment. Extinguish all outstanding Federal property rights to the State.
- 6. Reach 5. Preserve existing facilities. Corps should relinquish permit for Inglis Dam and Spillway to the State. The State should operate and maintain Inglis Dam and Spillway and control aquatic growth in Lake Rousseau. No Federal cost.
- 7. Reach 6. Backfill the lock and the bypass spillway, leaving the lock culverts open for flushing, and convey site to the State. Remove the plug in the Withlacoochee River. Plug the canal west of the Withlacoochee River with a fixed-crest spillway and culverts. Total estimated Federal cost \$1,491,000.

Environmental impacts of the recommended restoration and disposal plan are adequately described in the inclosed Restudy Report and Final Environmental Impact Statement (FEIS). A review of potential socio-economic and water supply impacts for one aspect of the restoration plan, draining Rodman Pool, is contained in the inclosed paper, "Socio-Economic and Water Supply Impacts of Draining Rodman Pool." This review disclosed that socio-economic and water supply impacts from draining Rodman Pool would not be significant within the meaning of the National Environmental Policy Act. However, information developed in the review is inclosed in the interest of providing information useful in making a decision on this portion of the restoration alternative.

The recommended plan for restoring the Oklawaha River and disposing of project lands and facilities outside the Oklawaha area would cost an estimated \$25,979,000 at July 1977 price levels. The following actions would be required to implement the recommended plan:

- 1. Congress would have to pass and approve, with minor modifications, Federal legislation which has been proposed (S.1592 and S.1593) to:
- a. Terminate authority for further construction and authorize interim operation and maintenance by the Corps pending disposition of lands and facilities.
  - b. Extend the boundary of the Ocala National Forest.
- c. Transfer to the Forest Service those lands within the extended boundary of the Ocala National Forest which are administered by the Corps of Engineers.
- d. Authorize and direct acquisition of Canal Authority lands within the extended boundary.
- e. Designate Oklawaha River from Dead River Swamp to the St. Johns River as a Study River under the National Wild and Scenic Rivers Act.
- 2. Submit to Congress the Corps of Engineers Restudy Report and Environmental Impact Statement, completed in February 1977, to authorize the disposition of project lands and facilities not included in the legislation proposed above.
  - 3. Request appropriate funds to accomplish the Federal actions.
- 4. Initiate and carry out actions in the recommended plan. (Federal and State Agencies.)

5. The State of Florida would have to enact legislation which would empower the Department of Natural Resources, State of Florida, to acquire (including acquisition by condemnation) lands presently held in less than fee (title) and to dispose of lands within the extended Ocala National Forest boundary to the Forest Service, USDA.

Respectfully yours,

Robert S. Bergland

Secretary of Agriculture

Clifford L. Alexander, Jr.

Secretary of the Army

ixal allo ande

Incls As stated

#### WASHINGTON

DATE:

08 MAR 78

FOR ACTION: STU EIZENSTAT

JACK WATSON Ne by place

FRANK MOORE (LES FRANCIS) astacked JIM MCINTYRE ALL

CHARLES WARREN Congre

INFO ONLY: THE VICE PRESIDENT

HAMILTON JORDAN

BOB LIPSHUTZ

JODY POWELL

SUBJECT: BERGLAND/ALEXANDER MEMO RE DISPOSAL AND RESTORATION ALTERNATIVES FOR CROSS FLORIDA BARGE CANAL PROJECT -FORWARD COMMENTS TO STU SO HE CAN PREPARE SUMMARY MEMO

- RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
- 40 MAR 78

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

WASHINGTON

14 March 1978

TO:

KATHY FLETCHER

FROM:

RICK HUTCHESON

SUBJECT:

Cross Florida Barge Canal

I understand from your memo that this package should not got to the President until the week of March 27, near the expiration of the EIS comment period. I will therefore hold it until that time.

Attached are comments from OMB, Congressional Liaison and

CEQ for your information.

Ser (Call)



#### **EXECUTIVE OFFICE OF THE PRESIDENT**

#### OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

MAR 1 0 1978

MEMORANDUM FOR RICK HUTCHESON

FROM:

ELIOT CUTLER AM

**SUBJECT:** 

Cross Florida Barge Canal Project

I strongly recommend that any action on the Bergland/Alexander memorandum - re disposal and restoration of alternatives for the project - be deferred until OMB and others in the Executive Office have an opportunity to review this proposal. We have received concurrently with the memo to the President a proposed report to the Congress from Secretary Alexander which sets forth in detail the proposed course of action which Alexander considers to be appropriate in settling the controversial issues surrounding this project. These issues involve delicate budget and program questions regarding Forest Service policy, recreation and national park policy, and a number of others that we can't discuss intelligently until we have an opportunity to review this volumings Corps of Engineers document.

Ruk hold This one.

WASHINGTON

DATE:

08 MAR 78

FOR ACTION: STU EIZENSTAT

JACK WATSON

FRANK MOORE (LES FRANCIS)

JIM MCINTYRE

CHARLES WARREN

INFO ONLY: THE VICE PRESIDENT

HAMILTON JORDAN

BOB LIPSHUTZ

JODY POWELL

SUBJECT:

BERGLAND/ALEXANDER MEMO RE DISPOSAL AND RESTORATION

ALTERNATIVES FOR CROSS FLORIDA BARGE CANAL PROJECT -

FORWARD COMMENTS TO STU SO HE CAN PREPARE SUMMARY MEMO

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

FRIDAY 1200 PM WEDNESDAY 10 MAR 78

ACTION REQUESTED:

STAFF RESPONSE: ( ) I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

#### CONGRESSIONAL LIAISON:

The Secretaries must consult with Florida Senators and take no action until the Senators are satisfied.

Congressmen Bennett & Chappell will go up the wall. They are for digging it all up. (JF)

ID 781291 .

#### THE WHITE HOUSE

#### WASHINGTON

DATE:

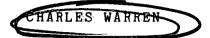
08 MAR 78

FOR ACTION: STU EIZENSTAT

JACK WATSON

FRANK MOORE (LES FRANCIS)

JIM MCINTYRE



INFO ONLY: THE VICE PRESIDENT

HAMILTON JORDAN

BOB LIPSHUTZ

JODY POWELL

SUBJECT:

BERGLAND/ALEXANDER MEMO RE DISPOSAL AND RESTORATION

ALTERNATIVES FOR CROSS FLORIDA BARGE CANAL PROJECT -

FORWARD COMMENTS TO STU SO HE CAN PREPARE SUMMARY MEMO

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +

1200 PM WEDNESDAY 10 MAR 78

ACTION REQUESTED:

STAFF RESPONSE: ( I CONCUR. ( ) NO COMMENT. ( ) HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

THE WHITE HOUSE WASHINGTON Had until week of Mar 27 per who they Hether

WASHINGTON

ok B

MEMORANDUM FOR:

RICK HUTCHESON

FROM:

KATHY FLETCHER

SUBJECT:

Cross Florida Barge Canal Action

Item

Army, Justice and CEQ have reconsidered their earlier advice to move this memo ahead now. Briefly, the problem is that the Corps screwed up on formally filing the final Environmental Impact Statement, and the period for public comment on the final EIS won't officially expire until the end of the month. To avoid any potential embarrassment or injunction similar to the North Dakota injunction on the water policy, we have developed the following strategy:

- 1. Army and Agriculture will continue to work on the draft legislation and any other backup which would be required to implement their recommendation.
- 2. They will supplement their letter to the President, if necessary, with any information stemming from public review of the EIS (no supplement expected).
- 3. The final package will be delivered to the President at the expiration of the EIS comment period.

Any comments gathered from senior staffing will be helpful in putting together the final package, so please forward to me anything you've received so far.

Thanks.

Electrostate Copy Made for Preservation Purposes Nar lan. Her Anh hust
Laws & Procedures

Names - 22 / 1/19

Need for reform

Heart of econ system
Open- Competitive

2 hols:

Resolve Competitive

Examine & Climinate

unwarrested exemptions

Parline dery > others

Capable (experiencedwish-sincers

# THE WHITE HOUSE WASHINGTON June 21, 1978

Hamilton Jordan

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

cc: Zbig Brzezinski Tim Kraft

AMBLER MOSS

# THE WHITE HOUSE WASHINGTON

June 21, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

HAMILTON JORDAN 7/9

SUBJECT:

New Ambassador to Panama

As you know, Bill Jordan is due for reassignment and we will have a vacancy at the Embassy in Panama.

Cy has recommended Ambler Moss for Ambassador to Panama. I think this is a very good choice and I know it will be popular with the Panamanian Government. Ambler did a great job for us with the Treaties and it is a position he will do well in. Zbig concurs. I recommend therefore that you approve the nomination of Ambler Moss as U.S. Ambassador to Panama.

DOTTE
PROVE

#### CANDIDATE FOR PANAMA

NAME: Ambler H. Moss

Foreign Service Reserve Officer of Class 2

AGE: 40

AREAS OF EXPERIENCE: Latin America, Europe

COUNTRIES OF EXPERIENCE: Spain, Panama

FOREIGN LANGUAGES: Spanish, French

EDUCATION: AB, Yale University, 1960

JD, George Washington University, 1970

#### PROFESSIONAL EXPERIENCE

1977 - present	Congressional Relat	-	State 101
1977	Special Assistant to		or Linowitz
1971 - 1977	Attorney		
1969 - 1970 1966 - 1969	Desk Officer, Bureau Special Assistant to to the Organization	the U.S. of Americ	Representative
1964 - 1966	Political Officer, B	arcelona	
1960 - 1964	1st Lieutenant, Unit	ed States	Navy

THE WHITE HOUSE WASHINGTON

June 21, 1978

Jim McIntyre
Stu Eizenstat
Frank Moore
The attached was returned in
the President's outbox. It is
forwarded to you for appropriate
handling.

Rick Hutcheson

cc: The Vice President
Anne Wexler
Charlie Schultze

AIRLINES DEREGULATION AND AIRCRAFT NOISE BILL

WASHINGTON

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT JIM MCINTYRE FRANK MOORE

SUBJECT:

Airline Deregulation and the

Aircraft Noise bill

This memorandum summarizes recent developments in the airline deregulation and noise bills, and seeks your guidance on how to proceed.

The House deregulation and noise bills are before the Rules Committee, and linkage of the two bills now seems inevitable. Even if the bills are not formally merged into one bill, they will go to the conference together, and it is certain that the House conferees will not permit a deregulation bill to come to your desk unless you will sign an acceptable Support for the noise bill is so strong in noise bill. the House committee that House floor action is being delayed until the Senate Committee acts on the noise bill.

Senator Cannon realizes that a noise bill is the price that will have to be paid to get a deregulation bill. Accordingly he has introduced a noise bill and plans to begin markup next week. Unfortunately, titles I and II of the Senate noise bill are almost identical to the House provisions. We have consistently opposed these provisions, and you repeated your opposition in a note to us last month.

Because the House and Senate provisions are almost identical, they will not be debated in conference. We believe that unless we offer a compromise now, we may be faced with the prospect of having to accept titles I and II in their current form or losing the airline deregulation bill altogether. The Department of Transportation agrees. Senator Cannon has told us that he is willing to accommodate us, at least on title I, if we provide language early this week.

#### The House and Senate Noise Bills, and Suggested Compromises

1. Title I of both the House and Senate bills establishes a new spending program of \$165 million in 1979 and \$250 million in 1980 from the \$2.2 billion surplus in the Airport Trust Fund. The new program would grant airports funds primarily for land acquisition where aircraft noise has adversely impacted its use.

DOT and OMB recommend that we continue to oppose a grant program for land acquisition, and propose instead the establishment of a revolving loan fund with a capitalization of \$300 million from existing uncommitted Airport Trust Fund balances.

- -- There would be an 80% Federal share/20% local share to enable local airport authorities to purchase noise-impacted land, secure aircraft noise easements on the titles, and then resell the land with the modified titles.
- -- This approach would (1) return land to the local tax base rather than favoring land banking; (2) have a modest budgetary impact over the longer term; and (3) focus solutions to environmental issues at the local level.
- -- This approach would also reduce the apparent excess balance in the Trust Fund which is an attractive target for unjustified spending proposals, while keeping outlays to a minimum.

Approve compromise on Title I \_\_\_\_\_ Disapprove \_\_\_\_\_

2. Title II of the House and Senate bills increases the authorization for Airport Trust Fund programs by \$260 million in 1979 and by \$310 million in 1980. These funds are authorized to be appropriated from the existing trust fund surplus. It further retains the federal share at 90 percent rather than 80 percent.

DOT and OMB recommend that, consistent with your guidance in the past, we continue to oppose any funding increases in the noise bill for the airport grants program. Such funding proposals have no clear-cut environmental benefits and therefore do not belong in the bill. These increases should be judged in

the context of the Administration's proposal for the future of the airport trust fund to be considered by Congress next spring. Senator Cannon has agreed to reduce the proposed funding increases somewhat, but we still believe we should oppose the provisions. You should be aware, however, that although we will continue to press for the elimination of title II, the final bill may still contain these provisions.

Approve continued opposition to title II Disapprove \_\_\_\_\_\_\_\_\_

3. Title III of the House bill diverts 2% of the existing 8% airline ticket tax to a special fund to help carriers bring their fleets into compliance with new noise rules. We have supported this title.

<u>DOT</u> and <u>OMB</u> recommend that while it would be unwise to withdraw the Administration's earlier support of Congressman Anderson's environmental surcharge for retrofitting, re-engining, or replacing noisy aircraft, <u>DOT</u> and <u>OMB</u> are favorably inclined toward a new proposal developed by Senator Cannon. Senator Cannon's proposal is as follows:

- -- the 8% passenger ticket tax and 5% freight waybill tax would be reduced by 2%;
- -- the CAB would be directed to place a similar surcharge on fares and freight rates for a period of one year, making the funds available to the airlines for noise abatement or other purposes, and with subsequent reviews as to the continued need for these special surcharges to accomplish noise abatement.

This approach reflects Chairman Kahn's recent testimony before Senator Cannon's Aviation Subcommittee which indicated that the current well-being of the airline industry obviated the need for a tax supported subsidy to airlines for noise abatement. It also holds out the possibility for a reduction in costs to the consumer when the surcharge is eliminated. We propose to informally indicate to Senator Cannon that we find his approach to be acceptable to the Administration and would support its passage, with a final version to be worked out in conference.

Approve		I	Disapprove	<del></del>
(DOT and	we recor	mend)		

OMB still believes that no noise bill is preferable. Any compromises we make should be limited to those necessary to obtain passage of the deregulation bill. Stu, Frank and Secretary Adams agree that titles I and II in their current form are undesirable, but that these changes are necessary to obtain passage of the deregulation bill.

Do least com

Possible

Promising possible

#### THE WHITE HOUSE

#### WASHINGTON

June 19, 1978

MEETING ON CIVIL SERVICE REFORM WITH CORPORATE REPRESENTATIVES AND TRADE ASSOCIATION EXECUTIVES Wednesday, June 21, 1978 2:00 p.m.
East Room, The White House

From: Hamilton Jordan/Steve Selig

## I. PURPOSE

To greet Corporate Representatives and Trade Association Executives and to seek their support for your Civil Service Reform program.

#### II. BACKGROUND, PARTICIPANTS & PRESS PLAN

### A. Background:

- 1) Approximately 200 of the top corporate government relations executives and trade association heads will be attending a Civil Service Reform briefing. Those in attendance are the main corporate and trade voices in Washington.
- 2) Prior to your arrival, the group will have been briefed by Jim McIntyre, Stuart Eizenstat and Alan Campbell (see attached agenda). When you arrive, the program will be at the conclusion of the question-and-answer period, which will include an appeal for support for the program from Jim McIntyre.
- 3) The timing of this briefing is particularly appropriate as the markup is due to begin in the House Post Office and Civil Service Committee.
- B. <u>Participants</u>: see attached
- C. Press Plan: White House Photo and Press Pool

#### III. TALKING POINTS

1) as prepared by the offices of Stu Eizenstat and Jim Fallows

#### THE WHITE HOUSE

WASHINGTON

June 20, 1978

MEMOR NDUM TO THE PRESIDENT

FROM:

JIM FALLOWS, ACHSAH NESMITH SUBJECT: Civil Service Reform briefing

I wanted to welcome you to the White House personally, 1. and to thank you for coming, because I think that one of the great strengths of democracy is in the interaction of our people with our government at all levels. Democracy requires that everyone understand and participate in the decision making and in the operating of our country. It is important that you who run firms and trade associations that employ so many of our people, and affect the lives of so many more, take an active part in this process.

- Scottie Campbell, Jim McIntyre and Stu Eizenstat have 2. discussed the details of our civil service reform proposals with you already, and I won't get into them. But I do want to emphasize how important this issue is to my administration and to the country. Every time I travel around the country to visit with people who have come to see me here at the White House, I'm struck with how unhappy the merican people are with the quality of service they are receiving from their government. The purpose of government is to do the things people can't do for themselves, but too often government has seemed to interfere more than help. Too often government seems to be caught up in its own concerns rather than the real needs of our people. I know you all have probably experienced great frustrations at times in your own dealings with government and felt that the bureaucracy was not responsive to our real goals. Our civil service reforms are aimed at making the bureaucracy more responsive, more efficient, more effective.
- 3. What we've done in this proposal is take the best of private business management practices and incorporate them where they are appropriate to government service. Government has different purposes from those of business. We are here to serve rather than make a profit, but that

doesn't mean we can't be efficient, can't use the talents and energy and enthusiasm of government employees in the most effective way. We want to restore the rewards for merit, to provide incentives for producing better results, not just more stacks of paper.

- 4. When these reforms are passed by the Congress I believe it will mean less red tape for business and less frustration for the average citizen. There will be fewer people trying to get you to fill our forms so they have something to keep up with, and more people dealing with the real needs of our country, doing the things the people really want done.
- 5. We've been pleased so far with the response of the people and of the Congress in moving these reforms toward final passage. But I think if our government is to accomplish our real goals effectively and efficiently, every citizen must understand the importance of civil service reform, how it relates to how our taxes are used and how high those taxes must be. And every citizen must get involved in the decision-making process, letting us know here in Washington what your real needs and problems are, and where we are failing to meet them.
- 6. There are a number of strong interest groups opposing certain portions of our plan, as there are with any farreaching legislation that affects many people. We are not going to compromise the rights of federal employees. We are strengthening those rights in many ways. The United States is a rich and powerful nation, but we cannot afford to waste taxpayer's money, or to waste the time and talents of the people who devote their lives to federal careers. That's what civil service reform is all about -making government work better for all of us. I hope I can count on your help to make it succeed.

# # #

President Jimmy Carter
Opening Session of the 8th General Assembly
Organization of American States
Wednesday, June 21, 1978, 11:15 a.m.

MR. CHAIRMAN, MR. SECRETARY GENERAL, DISTINGUISHED FOREIGN MINISTERS, AMBASSADORS, DELEGATES AND OBSERVERS TO THIS GENERAL ASSEMBLY, FRIENDS:

I WANT TO WELCOME YOU HERE TO OPEN THE EIGHTH
GENERAL ASSEMBLY OF THE ORGANIZATION OF AMERICAN STATES.

FIVE DAYS AGO, I WENT TO PANAMA.

I WENT THERE TO CELEBRATE NEW TREATIES WHICH PERMIT
THE U.S. AND PANAMA TO OPERATE AND DEFEND THE CANAL ON THE
BASIS OF PARTNERSHIP,....NOT PATERNALISM.

-- I WENT THERE TO FULFILL A PLEDGE.....

I WENT THERE TO FULFILL A PLEDGE I MADE BEFORE YOU

IN THIS HALL OF THE AMERICAS A LITTLE MORE THAN ONE YEAR AGO.

I WENT THERE TO EXPLAIN WHAT THE TREATIES MEAN TO ME AND TO OTHER NORTH AMERICANS.

MORE THAN SIMPLY THE FULFILLMENT OF A PLEDGE,....

THEY ARE THE BEGINNING OF A NEW ERA OF INTER-AMERICAN

UNDERSTANDING, REFLECTING A NEW SPIRIT OF COMMITMENT AND

COOPERATION.

IN THE PROCESS OF REACHING AGREEMENT, OUR TWO
NATIONS -- AND THE MANY OTHERS WHO SUPPORTED US -BREATHED NEW LIFE INTO SOME OLD PRINCIPLES: PRINCIPLES
OF NON-INTERVENTION, MUTUAL RESPECT, PARTNERSHIP, AND
MULTILATERAL COOPERATION.

WHAT WE HAVE ACCOMPLISHED TOGETHER WILL MAKE IT
EASIER TO APPLY THESE SAME PRINCIPLES TO THE OVERRIDING
CONCERNS OF OUR HEMISPHERE: PEACE, HUMAN RIGHTS AND
DIGNITY, AND ECONOMIC DEVELOPMENT.

# GOALS

LAST YEAR ON PAN AMERICAN DAY, I OUTLINED THE APPROACH WHICH MY ADMINISTRATION WOULD TAKE TOWARDS LATIN AMERICAN AND THE CARIBBEAN.

SLOGANS WOULD NO LONGER SUFFICE TO DESCRIBE THE DIVERSITY OF THE AMERICAS, NOR WOULD A SINGLE FORMULA BE HELPFUL WHEN OUR INDIVIDUAL AND COMMON INTERESTS ARE SO CLEARLY GLOBAL IN SCOPE.

THE PROBLEMS OF THE WORLD REQUIRE THAT WE IN THE WESTERN HEMISPHERE THINK AND ACT MORE BROADLY.

<sup>--</sup> THAT IS WHAT I PLEDGED TO YOU....

THAT IS WHAT I PLEDGED TO YOU LAST YEAR ON PAN AMERICAN DAY.

OUR GOALS REMAIN THE SAME:

- -- TO PROMOTE WORLD PEACE AND DISCOURAGE INTERNATIONAL INTERVENTION AND AGGRESSION.
- -- TO FOSTER AN INTERNATIONAL ENVIRONMENT IN WHICH HUMAN RIGHTS AND DIGNITY ARE RESPECTED BY ALL, AND TO END REPRESSION AND TERRORISM.
- -- AND FINALLY, TO MOVE TOWARD A MORE JUST AND EQUITABLE INTERNATIONAL ECONOMIC SYSTEM.

THESE ARE THE MOST BASIC GOALS OF THE COMMUNITY

OF NATIONS -- AND THEREFORE OF OUR HEMISPHERE AS WELL.

NO ONE NATION CAN DO THE JOB ALONE -- NOT THE UNITED STATES, NOR ANY OTHER.

ONLY BY COOPERATION AMONG THE NATIONS OF THE AMERICAS, AND THROUGHOUT THE WORLD, WILL WE SEE THESE GOALS FULFILLED.

# PEACE

WE CAN ADVANCE TOWARD PEACE WITH MANY SMALL STEPS,
AS WE REMOVE THE CAUSES OF DISPUTE WHICH HAVE PLAGUED
OUR HEMISPHERE.

THE RESOLUTION OF THE PANAMA CANAL ISSUE SHOULD BE
A GOOD OMEN THAT OTHER DISPUTES IN OUR HEMISPHERE CAN ALSO
BE SETTLED PEACEFULLY.

--LET US APPROACH OTHER .....

LET US APPROACH OTHER PROBLEMS -- SUCH AS BOLIVIAN ACCESS TO THE SEA,...THE HONDURAS-EL SALVADOR BORDER DISPUTE,....AND THE FUTURE OF BELIZE -- IN THE SAME SPIRIT OF ACCOMMODATION AND FRIENDSHIP.

JUST AS THE NATIONS OF THIS HEMISPHERE OFFERED

SUPPORT TO PANAMA AND THE UNITED STATES DURING THE CANAL

NEGOTIATIONS,....I PLEDGE TODAY MY GOVERNMENT'S WILLINGNESS

TO JOIN IN THE EFFORT TO FIND PEACEFUL AND JUST SOLUTIONS.

TO OTHER PROBLEMS.

IN ONE YEAR'S TIME, IT WILL BE A CENTURY SINCE THE WAR OF THE PACIFIC.

WE SHOULD VIEW THIS OCCASION AS AN OPPORTUNITY

TO REAFFIRM OUR COMMITMENT TO HARMONY IN THIS HEMISPHERE.

THE DIFFICULT DECISIONS CAN ONLY BE MADE BY

BOLIVIA, PERU AND CHILE.

BUT WE STAND READY WITH THE O.A.S., THE U.N.,

AND OTHER COUNTRIES TO HELP FIND A SOLUTION TO BOLIVIA'S

LAND-LOCKED STATUS THAT WILL BE ACCEPTABLE TO ALL PARTIES

AND WILL CONTRIBUTE TO THE PERMANENT PEACE AND DEVELOPMENT

OF THE AREA.

IN THIS SAME SPIRIT, WE SHOULD WORK TOGETHER TO BRING INTO EFFECT THE FAR-SIGHTED TREATY OF TLATELOLCO, WHICH BANS NUCLEAR WEAPONS FROM LATIN AMERICA.

IT WAS IN THIS HALL LAST YEAR THAT I PLEDGED TO SIGN PROTOCOL I OF THAT TREATY, AND ON MAY 26 I SIGNED IT.

SINCE THEN, DUE TO THE ENCOURAGEMENT OF THE COUNTRIES
THAT PIONEERED THE TREATY, THE SOVIET UNION HAS RATIFIED
PROTOCOL II AND ARGENTINA HAS AGREED TO RATIFY THE TREATY.

<sup>--</sup>ALL BUT ONE OF THE COUNTRIES.....

ALL BUT ONE OF THE COUNTRIES IN THE HEMISPHERE ELIGIBLE TO SIGN THE TREATY HAVE NOW SIGNED IT.

THIS PRECEDENT-SETTING TREATY REPRESENTS A DRAMATIC ADVANCE FOR THE CAUSE OF NUCLEAR NON-PROLIFERATION, AND WE SHOULD NOT REST UNTIL IT IS COMPLETE.

I ALSO SUPPORT THE EFFORTS OF THOSE WHO WANT TO EXTEND THE SPIRIT OF TLATELOLCO TO OTHER AREAS OF THE WORLD, AND TO CONVENTIONAL ARMS SALES AS WELL.

I BELIEVE THAT RESTRAINT IN CONVENTIONAL ARMS SALES IS ALSO CENTRAL TO THE CAUSE OF PEACE.

THE U.S. HAS ADOPTED A POLICY WHICH SEEKS TO REDUCE
THE OVERALL SALES OF WEAPONS EACH YEAR, ESPECIALLY THE
MOST SOPHISTICATED, LETHAL AND EXPENSIVE WEAPONS.

AS A MAJOR ARMS SALESMAN, THE U.S. BEARS -- AND ACCPETS -- A HEAVY RESPONSIBILITY FOR LIMITING THIS TRADE, BUT WE CANNOT SUCCEED ALONE.

OUR EFFORTS WILL DEPEND ON THE ACTIVE PARTICIPATION

OF THE OTHER ARMS SELLERS AND OF ARMS RECIPIENTS.

DISCUSSIONS AMONG BOTH GROUPS HAVE ALREADY BEGUN.

AS WE MAKE OUR EFFORTS, WE DRAW INSPIRATION FROM
THE TRULY HISTORIC INITIATIVE THAT VENEZUELA AND THE
OTHER SIGNATORS OF AYACUCHO ARE MAKING TO REMOVE THE
CAUSES OF INSECURITY FROM THEIR REGION, ... AND THEREBY
TO REDUCE THE PRESSURES THAT MAKE NATIONS BUY WEAPONS.

AS THE AYACUCHO NATIONS PREPARE FOR ANOTHER MEETING
THIS WEEK, I REAFFIRM MY COUNTRY'S CONVICTION THAT THEIR
WORK IS BRINGING US CLOSER TO LASTING PEACE, AND I EXPRESS
MY HOPE THAT THEIR EFFORTS CAN BE EXPANDED TO OTHER
WEAPONS PURCHASERS AND TO SUPPLIERS.

--WE CAN ALSO REDUCE THE PRESSURE.....

WE CAN ALSO REDUCE THE PRESSURE FOR ARMAMENTS -AND FOR REGIONAL VIOLENCE -- BY ENSURING THAT ALL NATIONS
RESPECT THE TERRITORIAL INTEGRITY OF OTHERS.

THE INTRUSION OF FOREIGN MILITARY FORCES INTO LOCAL DISPUTES CAN ONLY UNDERMINE THIS CAUSE.

WE SUPPORT IMPROVEMENTS IN THE PEACE-KEEPING AND DISPUTE-SETTLING MACHINERY OF THE O.A.S. AND THE U.N.

# HUMAN RIGHTS

THE RIGHTS AND DIGNITY OF HUMAN BEINGS CONCERN
US ALL, AND MUST BE DEFENDED AND ENHANCED.

I AM CONVINCED THAT ALL THE PEOPLES OF THE AMERICAS
WANT A WORLD IN WHICH CITIZENS OF EVERY COUNTRY ARE FREE
FROM TORTURE, ARBITRARY ARREST, AND PROLONGED DETENTION
WITHOUT TRIAL -- FREE TO SPEAK AND THINK AS THEY PLEASE,...
FREE TO PARTICIPATE IN THE DETERMINATION OF THEIR OWN
DESTINY.

MY GOVERNMENT WILL NOT BE DETERRED FROM OUR OPEN
AND ENTHUSIASTIC POLICY OF PROMOTING HUMAN RIGHTS -INCLUDING ECONOMIC AND SOCIAL RIGHTS -- IN WHATEVER WAYS
WE CAN.

WE PREFER TO TAKE ACTIONS THAT ARE POSITIVE,....

BUT WHERE COUNTRIES PERSIST IN SERIOUS VIOLATIONS OF

HUMAN RIGHTS WE WILL CONTINUE TO DEMONSTRATE THAT THERE

ARE COSTS TO THE FLAGRANT DISREGARD OF INTERNATIONAL

STANDARDS.

<sup>--</sup>ABOVE AND BEYOND ANY ACTIONS.....

ABOVE AND BEYOND ANY ACTIONS WE TAKE OURSELVES,
WE BELIEVE MULTILATERAL ACTION CAN BE THE MOST EFFECTIVE
MEANS OF ENCOURAGING THE PROTECTION OF HUMAN RIGHTS.

LAST YEAR'S O.A.S. GENERAL ASSEMBLY DEMONSTRATED
OUR COMMON INTEREST IN THIS IMPORTANT COMMITMENT;....
IT SET THE STAGE FOR THIS YEAR'S EVENTS.

DURING THE PAST YEAR, THE INTER-AMERICAN COMMISSION
ON HUMAN RIGHTS -- ONE OF OUR REGION'S MOST IMPORTANT
INSTRUMENTS -- GREW STRONGER.

ITS BUDGET WAS TRIPLED, AND IT WAS INVITED BY
MORE GOVERNMENTS TO INVESTIGATE AND REPORT ON CONDITIONS.

I COMMEND THE REPORTS SUBMITTED TO THIS GENERAL
ASSEMBLY, AND URGE THAT THEIR RECOMMENDATIONS BE FULFILLED.

IN THE PAST YEAR, SIX COUNTRIES HAVE JOINED COSTA RICA AND COLOMBIA IN RATIFYING THE AMERICAN CONVENTION ON HUMAN RIGHTS.

THREE MORE COUNTRIES MUST RATIFY IT FOR IT TO COME INTO FORCE.

I SIGNED THE CONVENTION ON JUNE 1 OF LAST YEAR WHEN MY WIFE WAS IN SAN JOSE;....I PLEDGE MY EFFORTS TO BRING ABOUT THE UNITED STATES RATIFICATION AS SOON AS POSSIBLE.

WE SHOULD USE THIS GENERAL ASSEMBLY TO PLAN FOR THE MOMENT WHEN THE CONVENTION ENTERS INTO FORCE.

WE SHARE THE VIEW THAT THE PRESENT COMMISSION WILL CONTINUE TO CARRY OUT ITS MANDATE UNTIL A NEW COMMISSION IS FUNCTIONING.

<sup>--</sup> THE GOVERNMENTS WHOSE LEADERS....

THE GOVERNMENTS WHOSE LEADERS VISITED PANAMA

FOR THE CEREMONY LAST WEEK HAVE BEEN AT THE FRONT OF

THE MOVEMENT FOR HUMAN RIGHTS AND DEMOCRACY.

A MONTH AGO, SEVERAL OF OUR COUNTRIES SPOKE OUT IN SUPPORT OF THE DEMOCRATIC ELECTION PROCESS IN A NEIGHBORING COUNTRY.

WE REALIZE THAT THE PATH FROM AUTHORITARIAN TO DEMOCRATIC RULE CAN BE A DIFFICULT AND DEMANDING ONE.

DURING SUCH A TRANSITION AND IN THE MIDST OF THE ELECTORAL PROCESS, MY GOVERNMENT PLEDGES NOT TO INTERVENE NOR TO SHOW FAVORITISM TOWARD PARTICULAR INDIVIDUALS OR PARTIES.

BUT WE WILL CONTINUALLY SUPPORT AND ENCOURAGE

POLITICAL SYSTEMS THAT ALLOW THEIR PEOPLE TO PARTICIPATE

FREELY AND DEMOCRATICALLY IN THE DECISIONS THAT AFFECT

THEIR LIVES.

THE PAST YEAR HAS SEEN A MEASURE OF PROGRESS.

IN MANY COUNTRIES, POLITICAL PRISONERS HAVE BEEN RELEASED,....STATES OF SIEGE LIFTED,....OR CONSTRAINTS ON FREEDOM OF THE PRESS LOOSENED.

IN THE COMING YEAR, WE HOPE FOR MORE PROGRESS.

FOR MANY IN LATIN AMERICA, THE STRUGGLE HAS JUST BEGUN.

BUT THE DIRECTION OF HISTORY TOWARD THE EXPANSION OF HUMAN RIGHTS IS CLEAR.

WHERE BASIC HUMAN RIGHTS ARE CONCERNED, ALL OF OUR GOVERNMENTS MUST BE ACCOUNTABLE NOT ONLY TO OUR OWN CITIZENS,....BUT TO THE CONSCIENCE OF THE WORLD.

(A MORE EQUITABLE INTERNATIONAL ECONOMIC SYSTEM)

<sup>--</sup>WE MUST ALSO DEVOTE OUR COMMON.....

# A More Equitable International Economic System

WE MUST ALSO DEVOTE OUR COMMON ENERGIES TO

ECONOMIC DEVELOPMENT AND TO THE CAUSE OF SOCIAL JUSTICE.

BENEFITS OF THE WORLD'S ECONOMY MUST BE MORE

FAIRLY SHARED -- BUT THE RESPONSIBILITIES MUST BE SHARED
AS WELL.

IN MANY WAYS, ECONOMIC ISSUES WILL BE OUR MOST IMPORTANT FOREIGN POLICY CONCERNS IN THE YEARS AHEAD.

WE PLAN TO GIVE INCREASED EMPHASIS TO THOSE

ECONOMIC ISSUES WHICH MOST DIRECTLY AFFECT THE DEVELOPING

COUNTRIES -- PARTICULARLY TRADE AND AID.

WE HAVE NOT MOVED FAR OR FAST ENOUGH.

WE HAVE NOT SPOKEN OFTEN ENOUGH OR CANDIDLY WITH EACH OTHER.

WE MUST TAKE EVERY OPPORTUNITY TO WORK WITH ALL NATIONS ON THESE FUNDAMENTAL ISSUES, AND WE MUST FIND NEW WAYS TO DISCUSS THEM.

TRADE POLICY WILL BECOME MORE AND MORE IMPORTANT,
AS YOUR ECONOMIES CONTINUE THEIR TRANSFORMATION, WITH
MANUFACTURED GOODS MAKING UP A LARGER AND LARGER
PROPORTION OF YOUR PRODUCTION AND EXPORTS.

I HAVE FOUGHT HARD TO RESIST PROTECTIONISM, AND I WILL CONTINUE TO DO SO.

WITHIN THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT -- O.E.C.D. -- WE HAVE URGED THE HEALTHIER ECONOMIES TO GROW FASTER, SO AS TO EXPAND MARKETS FOR YOUR EXPORTS.

<sup>--</sup> IN THE MULTILATERAL TRADE NEGOTIATIONS....

IN THE MULTILATERAL TRADE NEGOTIATIONS, WE SEEK
TO REDUCE BARRIERS TO THOSE EXPORTS.

IN RETURN, WE ASK YOU TO JOIN WITH US IN NEGOTIATING A REDUCTION OF TARIFF AND NON-TARIFF BARRIERS.

THE MIDDLE-INCOME DEVELOPING COUNTRIES HAVE A SPECIAL RESPONSIBILITY TO HELP WIDEN WORLD TRADE BY OPENING THEIR MARKETS TO EXPORTS FROM OTHER DEVELOPING AND INDUSTRIAL COUNTRIES.

SOME OF YOUR ECONOMIES ARE NOW LARGE AND DYNAMIC ENOUGH TO PROVIDE FOR BOTH DOMESTIC CONSUMPTION AND EXPORTS AT THE SAME TIME.

BY GIVING PRIORITY TO CREATING JOBS, YOU CAN ALLEVIATE POVERTY WHILE STIMULATING YOUR ECONOMIES.

THE INDUSTRIAL COUNTRIES SHOULD HELP TO STIMULATE THIS GROWTH.

AS ONE STEP TO THIS END, WE PROPOSE TO CREATE A FOUNDATION FOR TECHNOLOGICAL COLLABORATION,...WHICH WILL HELP TO DEVELOP AND SHARE THE SKILLS NEEDED FOR ECONOMIC AND SOCIAL GROWTH.

THE CHALLENGE OF ECONOMIC DEVELOPMENT IS TO HELP THE WORLD'S POOR LIFT THEMSELVES OUT OF MISERY.

WE NEED TO ASSIST GOVERNMENTS WHICH FIND THEMSELVES
IN FINANCIAL CRISIS, WHEN THEY ARE WILLING TO TAKE SOUND
MEASURES OF SELF-HELP.

AND WE NEED TO SUPPORT REGIONAL AND SUB-REGIONAL COOPERATION AND INTEGRATION THROUGH SUCH ORGANIZATIONS AS THE CARIBBEAN GROUP FOR COOPERATION IN ECONOMIC DEVELOPMENT, WHICH IS MEETING THIS WEEK IN WASHINGTON.

<sup>--</sup> THE RECENT DECISION BY SEVERAL....

THE RECENT DECISION BY SEVERAL ANDEAN COUNTRIES

TO ESTABLISH A BALANCE OF PAYMENTS SUPPORT FUND IS A

WELCOME CONTRIBUTION TO REGIONAL FINANCIAL STABILITY.

THE LITTLE-NOTICED INCREASE IN INTRA-REGIONAL TRADE
CREDITS AND COOPERATION AMONG CENTRAL BANKS TESTIFIES
TO THE MATURITY AND INTEGRATION OF LATIN AMERICA.

# CONCLUSION

OUR AGENDA FOR COOPERATION IS, THEREFORE,

PEACE, HUMAN RIGHTS, AND A JUST INTERNATIONAL ECONOMIC

SYSTEM - IN THIS HEMISPHERE AND THROUGHOUT THE WORLD.

WE <u>SET</u> FOR OURSELVES AN AMBITIOUS PROGRAM LAST YEAR.

MUCH HAS BEEN ACCOMPLISHED, BUT MUCH MORE REMAINS
TO BE DONE.

THE O.A.S. CAN PLAY AN IMPORTANT ROLE IN ADDRESSING OUR COMMON PROBLEMS.

IT HAS BECOME PARTICULARLY EFFECTIVE IN THE AREAS OF HUMAN RIGHTS AND PEACE-KEEPING.

IT WILL BECOME STILL MORE EFFECTIVE AS ITS INTERNAL ADMINISTRATIVE AND FINANCIAL STRUCTURE COMES TO REFLECT THE GREATER EQUALITY IN OUR RELATIONSHIPS.

-- I BELIEVE THAT THE MUTUAL RESPECT.....

#### THE WHITE HOUSE

WASHINGTON

June 20, 1978

MEETING WITH MEMBERS OF THE NATIONAL COMMISSION FOR THE REVIEW OF ANTITRUST LAWS AND PROCEDURES

Wednesday, June 21, 1978 10:45 AM (5 Minutes) The Rose Garden

From: Robert Lipshutz Margaret McKenna

## I. PURPOSE

The June 21 meeting gives you an opportunity to meet the members of the Commission and to make public your commitment to the reform of the antitrust laws and procedures.

### II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. Background: The Commission was established by an Executive Order which you signed on December 1, 1977. That Order was amended in April to increase the number of members of the Commission from 15 to 22. The Commission's report is due January 21, 1979.

# B. Participants:

The Attorney General and Commission members:

John H. Shenefield, Assistant Attorney General, Antitrust Division, Department of Justice, who will serve as Chairman of the Commission.

Michael Pertschuk, Chairman, Federal Trade Commission

Alfred E. Kahn, Chairman, Civil Aeronautics Board

Senator Edward M. Kennedy (D-Mass.), Chairman, Senate Subcommittee on Antitrust and Monopoly

Senator Jacob K. Javits (R-N.Y.)

Senator Howard M. Metzenbaum (D-Ohio)

Senator Robert Morgan (D-N.C.)

Senator Orrin G. Hatch (R-Utah)

Congressman Peter W. Rodino (D-N.J.) Chairman, House Committee on the Judiciary, Chairman, Subcommittee on Monopolies and Commercial Law

Congressman Barbara C. Jordan (D-Texas)

Congressman Robert McClory (R-Ill.)

Congressman John F. Seiberling (D-Ohio)

Congressman Charles E. Wiggins (R-Calif.)

C. Clyde Atkins, U.S. District Judge, Southern District of Florida (Miami)

Chauncey H. Browning, Jr., Attorney General of West Virginia, President-elect of the National Association of Attorneys General

Maxwell M. Blecher, trial practitioner and antitrust author from Los Angeles, California

Eleanor M. Fox, antitrust professor at New York University
Law School

John Izard, former chairman of the Antitrust Law Section of the American Bar Association, now in private practice in Atlanta, Georgia

James M. Nicholson, former Federal Trade Commission member, now in private practice in Washington

Craig Spangenberg, Fellow, American College of Trial Lawyers, now in private practice in Cleveland, Ohio

Gordon B. Spivack, former Director of Operations for the Antitrust Division, Department of Justice, now in private practice in New York City, and visiting lecturer at Yale Law School

Lawrence A. Sullivan, professor, University of California (Berkeley) Law School, Boalt Hall, and author of a 1977 antitrust treatise

Executive Director: Tim Smith, Special Assistant to John-Shenefield

C. <u>Press Plan</u>: There will be photo and reporting pool coverage of your remarks.

### III. TALKING POINTS

- l. As I said in my speech last month to the Los Angeles Bar Association, antitrust litigation consumes an enormous amount of time, energy and money. There is an obvious need to reform the present antitrust laws and procedures, and this Commission has been established to meet that need. There have been a lot of studies in recent years on antitrust problems, but no meaningful changes have resulted from them. I know this Commission will produce more than just a rewarming of the academic literature.
- 2. Antitrust questions go to the very heart of what our nation's economy ought to be. They exist to protect the chance for small and medium sized firms to enter an industry and maintain their positions there. To a great degree, the openness and integrity of our economic system depends on them, so they must work fairly and efficiently. Right now I think there is a general agreement that they don't.
- 3. It is your responsibility, on this Commission, to study the antitrust laws and procedures -- and, to the extent that they are outmoded or ineffective, to recommend new laws and procedures to me. There are two problems that particularly need your attention:

The first is the <u>need</u> to resolve complex antitrust cases more quickly. Protracted court cases are a

major problem in our system; they tie up court time, waste valuable legal talents, and often produce needless delay that gives one party an unfair advantage.

Second, you need to examine the exemptions certain industries enjoy from the antitrust laws, and make a judgment about whether these exemptions are truly in the public interest. Your recommendations will, I hope, be consistent with the present trend toward deregulation of industries. The airline deregulation that Congress is now considering would benefit consumers, by lowering fares, and the airline industry, by increasing air traffic and revenues. We will explore similar approaches to other industries, like trucking, which Senator Kennedy is currently examining.

4. You on this Commission constitute a very capable group of individuals who are familiar with antitrust laws and procedures and will be able to make judgments based on the strength of your own knowledge. The work you do in the next few months can greatly benefit all our people. I want to thank you for commitment to this worthwhile endeavor, and wish you success.

#### THE WHITE HOUSE

WASHINGTON

June 20, 1978

# MEETING WITH SENATOR JOHN SPARKMAN AND MR. MICHAEL MILLS

Wednesday, June 21, 1978 12:25 p.m. (2 minutes) The Oval Office

From: Frank Moore ...

# I. PURPOSE

Photo opportunity with Mr. Mills, President, Key Club International.

## II. BACKGROUND, PARTICIPANTS & PRESS PLAN

A. <u>Background</u>: Mr. Michael Mills is the 4th and newest President of the Key Club International. Senator Sparkman requested the opportunity of a photo session for Mr. Mills.

The Senator is also expected to mention to you his interest in having Lewis Odom appointed as Director of the FDIC and Bill Rasco (who is Administrative Assistant to Rep. Ronnie Flippo) to the TVA Board.

Senator Sparkman is Chairman of the Committee on Foreign Relations and is also Chairman of the Subcommittee on Foreign Assistance. He also is on the Committee on Banking, Housing and Urban Affairs and its subcommittees on Housing and Urban Affairs (Chairman); Financial Institutions; and Rural Housing. The Senator also serves on the Joint Economic Committee and its subcommittees on International Economics and Energy.

His wife is named Ivo.

B. Participants: The President

Senator John Sparkman (D-Ala) Mr. Michael Mills, President, Key

Club International

Octa Watson, Administrative Assistant

to Senator Sparkman

Dan Tate

C. Press Plan: White House Photo.

# III. TALKING POINTS

Routine courtesies.

#### THE WHITE HOUSE

WASHINGTON

Meeting with the Woolseys
Wed., June 21, 1978
12:15 p.m.
(2 minutes)
The Oval Office

By: Fran oorde

- I. PURPOSE: Photo opportunity with Sue Woolsey and her family. Sue is employed with OMB.
- II. BACKGROUND, PARTICIPANTS, PRESS:
  - A. <u>Background</u>: Sue requested an opportunity for her young family to be photographed with the President.
  - B. Participants: Suzanne H. Woolsey (Mrs. R. James)
    R. James Woolsey (husband)
    Robert (4 1/2 years old)
    Daniel (2 1/2 years old)
    Benjamin Haley (7 months old)
    (Mrs. Carmelita Amory, housekeeper, will accompany family but not be in photo)
  - C. Press: White House photographer only.

#### THE PRESIDENT HAS SEEN.

#### THE WHITE HOUSE

WASHINGTON June 20, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

LANDON BUTLE

SUBJECT:

Photo/handshake opportunity with representatives of the International Conference of Police Associations (ICPA)

DATE:

Wednesday, June 21, 1978

TIME:

12:20pm (3 minutes)

LOCATION:

Oval Office

#### I. BACKGROUND, PATRICIPANTS AND PRESS PLAN

A. <u>Background</u>: The International Conference of Police Associations (ICPA) was originally formed to represent and protect the interests of Black police officers. The composition of the association has now changed and is open to all rank and file police officers. The association primarily represents the DC Metropolitan Police Department, the Park Police, and the EPS (uniformed division of the Secret Service).

The ICPA has expressed a desire to open communication channels with the Administration to voice their concerns about the problems affecting police officers. Prior to the photo/handshake opportunity, the group will be meeting with Landon Butler, Annie Gutierrez (Domestic Policy staff), and Hugh Carter (EPS liaison for the White House). During the meeting it will be recommended that the association work closely with LEAA. This is the arm of the Administration in the Justice Department that works closely with other police organizations.

- B. Participants: A list of the six ICPA officers is attached.
- C. <a href="Press Plan">Press Plan</a>: Only the White House photographer will be present.

### II. TALKING POINTS

-- Brief handshake while thanking them for their efforts on behalf of rank and file police officers who deserve our admiration and deep appreciation.

- --Brief mention of the value of the EPS guards in and around the White House. (The EPS is in charge of clearing all visitors to the White House as well as standing guard at various posts on the grounds and in the White House.)
- --Reaffirm the recommendation previously made in the Butler/Gutierrez/Carter meeting that the ICPA work very closely with LEAA. (Jim Gregg is Administrator of LEAA.) The LEAA has many programs such as educational benefits that will be of interest to ICPA members.

# INTERNATIONAL CONFERENCE OF POLICE ASSOCIATIONS PARTICIPANTS

- Edward J. Kiernan, President ICPA
- Robert D. Gorden, Secretary-Treasurer ICPA
- Peter McGuire, Legislative Representative ICPA
- Gerald Crawley, Vice President ICPA and President of the San Francisco Police Officers Association
- Jack Hawkonsen, Vice President of ICPA and President of the Confederation of Police of Illinois
- Joseph Goldring, Vice President of ICPA and President of the Policemen's Association of the District of Columbia

# THE WHITE HOUSE WASHINGTON

June 21, 1978

# Stu Eizenstat

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

LEGISLATIVE VETO MESSAGE ELLIOTT LEVITAS

#### THE WHITE HOUSE

WASHINGTON

June 20, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

RICK NEUSTADT

SUBJECT:

Legislative Veto Message

We have incorporated your changes in the Message and propose these additional points:

1. Our draft stated that you oppose legislative vetoes over "on-going programs," and you changed that to "existing programs." The word "on-going" was used to distinguish the kinds of legislative vetoes we oppose from those we have accepted. For example, we oppose legislative vetoes over HUD regulations but accept those over Reorganization Plans. "Existing programs" does not convey this distinction. We have checked with Justice and propose to say instead that the objection is to legislative vetoes over "the execution of programs." That phrasing makes the desired legal point.

- 2. In response to your comment that historical precedent was not adequately stressed, we added a sentence at the beginning of the Message pointing out that legislative vetoes represent a fundamental departure from the way the government has been administered throughout American In addition, we noted that Presidential history. opposition to legislative vetoes goes back to Herbert Hoover.
- At the suggestion of Senator Byrd's staff, we deleted 3. the argument that legislative vetoes would mean a huge increase in the Congressional bureaucracy. point is not necessary to the argument and might be offensive to some on the Hill.

4. In the discussion of your willingness to accept "reportand-wait" provisions we added the point that legislation containing such provisions has been introduced. will help underscore the reality of this alternative and will help ameliorate the concerns of Representative Levitas and other sponsors of legislative veto proposals.



### THE WHITE HOUSE

WASHINGTON

June 20, 1978

### MR. PRESIDENT:

I met with ElliottLevitas today to discuss your proposed message on legislative vetoes. As you might expect, he does not agree with the thrust of the message and would prefer that we at least exclude independent regulatory agencies from its coverage. (We do not agree with this exclusion.)

Elliott has requested a meeting with you prior to the messages being sent to Congress. I think he would like a chance to convince you that independent agencies should not be covered. If you decide not to meet with him, I recommend that you call him tomorrow morning. Then the Attorney General will be able to make the announcement at 2:30 tomorrow afternoon.

Arrange meeting

Placed telephone call

700

Stu Eizenstat

THE WHITE HOUSE WASHINGTON June 21, 1978

Frank Moore Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original was give- to Rick Neustadt for delivery to the Hill.

Rick Hutcheson

### THE WHITE HOUSE

WASHINGTON

June 20, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT RICK NEUSTADT

SUBJECT:

Sunset Legislation

Senator Muskie's Sunset bill will be marked up by the Senate Rules Committee on June 21. (It already has been reported by the Government Affairs Committee.) The bill has a reasonable chance of being passed by the Senate this session, and a letter from you reaffirming your support for it would be welcomed by Muskie and its other sponsors. We are attaching a proposed letter to Senator Pell (as Chairman of the Rules Committee) for your signature. Because Senators Percy, Bryd and Ribicoff are supporting a somewhat different sunset bill, this letter has been drafted to support the sunset concept without getting into the details of the various bills.

# THE WHITE HOUSE washington June 21, 1978

### To Claiborne Pell

I understand your committee is considering sunset legislation today, and I urge you to act favorably.

Sunset requires us to take a hard look every few years at each Federal program. Based on those reviews, inefficient and outmoded programs will be changed or eliminated. To assure that the process works, programs will be terminated unless affirmatively re-enacted.

This sunset process is particularly desirable for spending programs that have indefinite author-izations. Regular reviews of these programs will be a major contribution to the effort to control Federal spending.

I have long supported the sunset idea. The current demand from the American people to hold down government spending makes passage of sunset legislation particularly crucial.

Sincerely,

The Honorable Claiborne Pell United States Senate

Washington, D.C. 20510

THE WHITE HOUSE WASHINGTON
June 21, 1978

Frank Moore

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

r Preservation P THE WHITE HOUSE WASHINGTON The Creater Comment The impression That I and many seleces have had toneght is That of a dedication highly intellegant, when opening candid town - yes even closely Wirit, sharing their Knowledge to injection under at and and create

THE WHITE HOUSE WASHINGTON a men meaningful factoreed, with Cer gran. 40 mm effronden and well down by Grapaly G Hereld and Eliza the best white home meeting for attended a light rang thanks

### THE WHITE HOUSE WASHINGTON

June 21, 1978

Jim Fallows

The attached was returned in the President's outbox. It is forwarded to you for appropriate handling.

Rick Hutcheson

HOUSTON SPEECH

Progestation Purpose

### THE WHITE HOUSE

WASHINGTON June 20, 1978

MEMORANDUM FOR THE PRESIDENT

requested.

JIM FALLOWS J~

SUBJECT: Houston Speech

We are revising the Houston speech along the line you

I asked for a meeting today to express the concerns that Stu, Jerry, Greg Schneiders, and I share about the importance of focusing on a single subject for emphasis.

We all understood that your main purpose in this speech was to stress the urgency of the energy plan, as part of your strategy for putting pressure on the Congress. Jerry also said that you wanted brief allusions to government efficiency, defense, and inflation, and we included those.

If a speech is designed to win news for its content, as this one was, it has to say something new. Unless we have a real news bombshell to drop, the way to make news is to concentrate on one topic -- and, if possible, to do it in an unexpected place. It is not news to go through the list of priorities one more time; it may be enlightening to the 1300 people in the audience, but it will not advance our themes with the other 200 million. It is news to stress one theme, since that underlines the special emphasis we are giving it.

This speech, designed carefully for this particular setting, was intended to stress why the energy bill is essential to our national security, and why compromise is necessary. is a marketing speech, designed to push the themes we think most important to the bill's success. Concentrating on those themes may mean leaving out the Comprehensive Test Ban -- but there will always be a more appropriate occasion for that.

There are occasions where we want to tour the horizon -in your Convention Acceptance speech, or the Inaugural address; or if the most important public need of the moment is to understand the broad sweep of our programs. But, as Jerry and Jody have stressed, what we need now is to focus (not diffuse) public attention on energy.

Jim dele te aug energy

dele te aug energy

phrales superfluores

were not superfluores

yhey are sharp to

lines you bounts

T. O

I mention this because the most consistent complaint we hear — through the mail, from friends (as well as enemies), in the press — is that our speeches are too diffuse, that we try to talk about every subject every time. The most successful speeches you have made — in terms of clearly communicating a message — have been those, such as the Law Day speech in Georgia, or Notre Dame, or Winston Salem, which have chosen a theme and stuck to it. The least successful are those which talk a little bit about a lot of things. That is the right approach for a group of editors coming in for the weekly briefing perhaps, but the wrong approach when we are trying to sell a policy.

### THE WHITE HOUSE

WASHINGTON

#### ADDRESS TO

### 8TH GENERAL ASSEMBLY OF THE ORGANIZATION OF AMERICAN STATES

Pan American Building

Wednesday - June 21, 1978

From: Phil Wise

### SEQUENCE

11:05 a.m.

You board motorcade on South Grounds and depart

en route Pan American Building.

11:07 a.m.

Motorcade arrives Pan American Building.

PRESS POOL COVERAGE CLOSED ARRIVAL

### You will be met by:

Alexandro <u>Orfil</u>a, Secretary General, OAS Antonio Francisco Azeredo de Silvera, Foreign Minister of Brazil

Rafael Angel Calderon Fournier, Foreign Minister of Costa Rica

Secretary Cyrus Vance

Escorted by Sec. Gen. Orfila, you proceed up north stairway to offstage area.

11:10 a.m.

You arrive offstage area of Hall of Americas and pause.

You and Sec. Gen. Orfila proceed inside Hall of the Americas and take your seats at the Conference Table.

11:12 a.m.

Remarks by Indalecio Lievano-Aquirre, Foreign Minister of Colombia, concluding in your introduction.

NOTE: Simultaneous translation.

11:15 a.m.	PRESIDENTIAL REMARKS. (Simultaneous translation)
	FULL PRESS COVERAGE ATTENDANCE: 300
11:30 a.m.	Your remarks conclude. You proceed to motorcade for boarding.
11:33 a.m.	Motorcade departs Pan American Building en route South Grounds.
11:35 a.m.	Motorcade arrives South Grounds.

# # # # #

### THE WHITE HOUSE

WASHINGTON

June 20, 1978

CONGRESSIONAL LEADERSHIP BREAKFAST

Wednesday, June 21, 1978

8:00 a.m.

Family Dining Room

Frank Moore J.m./pl. From:

I. **PARTICIPANTS** 

See attached list.

TT. PRESS PLAN

White House photo only

#### III. AGENDA

- Labor Law Reform. The Senate will try for the 6th time to obtain cloture at 1:30 p.m., Thursday, June 22. You should emphasize your strong personal involvement in trying to secure the necessary 60th vote for cloture. You should ask Senator Byrd and other Senate leaders for quidance.
- Greece/Turkey. Since we have not been successful in getting a floor leader for lifting the embargo from among the members of the Foreign Relations Committee, you should call upon Senator Byrd and ask for his active help recognizing that the Senator has been devoting his full time to the labor law reform fight.
- Appropriations. Because of the House's late start on appropriation bills, it is imperative that the Senate structure the bills so that we can reach some accommodation.
- Civil Service Reform. You should emphasize your view that the failure of the Governmental Affairs Committee to accept modification in existing veterans preference laws is a severe set-back to true civil service reform. The proposed joint committee (governmental affairs and veterans affairs) task force which is to report its recommendations on veterans preference changes by the end of this year merely dodges the issue and ensures

no reform in this vital area. In the House, the Post Office and Civil Service Committee will begin mark-up Wednesday morning. You should encourage the Speaker to do all he can to get this bill to the floor quickly.

- 5. Airline Reform. The bill is pending in the House Rules Committee, and the Chairman will ask for a rule next week. You should restate your desire to keep the noise provisions detached from regulatory reform.
- 6. Hospital Cost Containment. The House Commerce Committee will vote on this bill Wednesday morning. You should ask Dan Rostenkowski to help move the bill out of the Ways and Means Committee so that we can get it enacted before the end of this session.
- 7. Local Public Works. See attached page "A"

### **PARTICIPANTS**

The Vice President

Majority Leader Byrd Senator Cranston Senator Eastland

Speaker O'Neill Cong. Brademas Cong. Wright Cong. Foley Cong. Rostenkowski Cong. Chisholm

Jim McIntyre
Zbig Brzezinski
John White
Stu Eizenstat
Jody Powell
Dan Tate
Bob Thomson
Bill Cable
Terry Straub
Bill Smith

# Local Public Works Round III (LPW III) and Labor Intensive Public Works (LIPW)

Chairman Robert Roe of the Economic Development Subcommittee of Public Works has scheduled hearings on LPW III and LIPW and other matters for June 27 - 29. Roe has over 160 cosponsors on his LPW III bill -- Jim Wright is a strong supporter. LPW is popular because it has meant highly visible new construction.

LIPW was sent up as part of the Urban Package because;

- (a) LPW was basically counter-cyclical unemployment was nearly 9% in 1975 (LPW I authorized) and 7.7% in 1976 (LPW II authorized). Now it is down to slightly more than 6% (3½% for adult males).
- (b) A substantial amount of LPW I and II has not yet been disbursed (\$2.2 billion of the \$6.0 billion).
- (c) LIPW is designed to target employment opportunities to structurally unemployed. LPW III by contrast would add to the demand for highly paid labor (as a result of the Davis-Bacon Act).
- (d) LIPW goes largely for rehabilitation work which is <u>labor intensive</u> and fulfills goals of <u>energy conservation</u> and <u>historic</u> preservation.

Summary: This could be the genesis of another confrontation with House Public Works and Jim Wright.

Commerce, Wexler, White House CL, DPS, CEA and OMB have met to discuss strategy and have decided that you should have a strong stand early on with the leadership. We will then begin our Hill contacts with Public Works members later in the day. Commerce has prepared a detailed strategy.

Though some compromise with Roe is probably possible (i.e., 50% LPW, 50% LIPW), CEA recommends against acceptance of any significant amount of LPW given its "significant inflationary potential."

Additional Note: The California Delegation will discuss this matter on Wednesday morning. They have been informed that the State will not be able to come up with the 10% matching funds necessary for LIPW. LPW requires no match. This will undoubtedly affect Chairman Bizz Johnson's view of the situation.

#### THE WHITE HOUSE

WASHINGTON

June 20, 1978

0

MEMORANDUM FOR THE PRESIDENT

FROM:

STU EIZENSTAT

SUBJECT:

Additional Points for Leadership Breakfast

- 1. Tax Reform to express concern that the fact that not only is the Ways and Means Committee failing to include any meaningful reforms but it is moving backward in the area of capital gains and graduated corporate taxes. Both of these provide additional loopholes for the wealthy and are contrary to the basic thrust of the Democratic Party on tax issues which should help the middle and lower middle economic class -- not the wealthy.
- 2. Legislative Veto Message you should mention that either today or tomorrow you will be sending Congress a message dealing with your policy on legislative vetoes. You should express concern over the growing number of legislative vetoes in bills, including one being proposed in the HUD Reauthorization Bill on Friday. You could summarize the policy in this message (on which there has been considerable Congressional consultation) as follows:
  - a. We consider legislative vetoes to be unconstitutional because they deny the President his veto power and bad public policy because they further delay regulations.
  - b. Inclusion of legislative vetoes will be a major factor in your decision whether to sign or veto bills.
  - c. For those bills which already contain legislative veto provisions, or in future bills which you must sign for other reasons containing such provisions, you will treat them as "report and wait" provisions under which the advice of Congress is advisory but not mandatory.
  - d. If Congress wishes to exercise oversight authority under a particular program, Congress should do so by passing its own "report and wait" provision rather than legislative veto measures.

## THE WHITE HOUSE WASHINGTON

0

June 20, 1978

### MEETING WITH REP. MARTY RUSSO (D-3-I11) AND HIS ADMINISTRATIVE ASSISTANT, BOB MACARI

Wednesday, June 21, 1978 7:58 a.m. (1 minute) Oval Office

From: Frank Moore

### I. PURPOSE

Campaign photo opportunity.

### II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

Background: This is Marty's second term in office. His administration support rating is 85%. Marty's third congressional district consists of the southwest suburbs of Chicago plus a very small portion of the city itself. The third district has long been considered a marginal district and this year the GOP has placed his district on their top 24 incumbents hit list. His opponent is Robert Dunne, a former Republican state representative.

<u>Participants</u>: The President, Rep. Marty Russo, Bob Macari, and Bill Cable.

Press Plan: White House Photographer.

### III. SCENARIO

- 1. Bill Cable escorts Rep. Russo for photo with President.
- 2. Bob Macari joins the President and Rep. Russo for photo.
- 3. Bill Cable escorts Rep. Russo from group; allowing photo to be taken of President Carter and Bob Macari.

### OAS STATEMENT

Mr. Chairman, Mr. Secretary General, Distinguished Foreign Ministers, Ambassadors, Delegates and Observers to this General Assembly, friends:

I want to welcome you here to open the Eighth

General Assembly of the Organization of American States.

Five days ago, I went to Panama.

I went there to celebrate new Treaties which permit the U.S. and Panama to operate and defend the Canal on the basis of partnership, not paternalism.

I went there to fulfill a pledge I made before you in this Hall of the Americas a little more than one year ago.

I went there to explain what the Treaties mean to me and to other North Americans. More than simply

the fulfillment of a pledge, they are the beginning of a new era of inter-American understanding, reflecting a new spirit of commitment and cooperation.

In the process of reaching agreement, our two
nations -- and the many others who supported us -- breathed
new life into some old principles: principles of nonintervention, mutual respect, partnership, and multilateral
cooperation.

What we have accomplished together will make it easier to apply these same principles to the overriding concerns of our hemisphere: peace, human rights and dignity, and economic development.

### Goals

Last year on Pan American Day, I outlined the approach which my Administration would take towards

Latin America and the Caribbean. Slogans would no longer

suffice to describe the diversity of the Americas, nor inductual and Common would a single formula be helpful when our interests are so clearly global in scope. We—occupy places in the Western Hemisphere, but the problems of the world require in the Western Hemisphere that we think and act more broadly.

That is what I pledged to you last year on Pan American Day. Our goals remain the same:

- -- To promote world peace and discourage international intervention and aggression.
- -- To foster an international environment in which human rights and dignity are respected by all, and to end repression and terrorism.
- -- And finally, to move toward a more just and equitable international economic system.

These are the most basic goals of the community of

nations -- and therefore of our hemisphere as well. No one nation can do the job alone -- not the United States, nor any other nation. Only by cooperation among the nations of the Americas, and throughout the world, will we see these goals fulfilled.

### Peace

We can advance toward peace with many small steps, as we remove the causes of dispute which have plagued our hemisphere.

The resolution of the Panama Canal issue should be a good omen that other disputes in our hemisphere can also be settled peacefully. Let us approach other problems -- such as Bolivian access to the sea, the Honduras-El Salvador border dispute, and the future of Belize -- in the same spirit of accommodation and friendship. Just as the nations of this hemisphere offered support to Panama and the United States during the Canal negotiations, I pledge today my government's willingness -- if asked -

the effort to find peace ful and just solutions, to help the nations concerned find solutions.
To other publicus.

In one year's time, it will be a century since the

War of the Pacific. We should view this occasion as an

formaffirm our lommatment to peace in this lemisple
opportunity, In the end, The hard decisions can only be

difficult in their regim

made by Bolivia, Peru and Chile. But we stand ready with

the O.A.S., the U.N., and other countries to help find

a solution to Bolivia's land-locked status that will

be acceptable to all parties and will contribute to the

permanent peace and development of the area.

In this same spirit, we should work together to bring into effect the far-sighted Treaty of Tlatelolco, which bans nuclear weapons from Latin America. It was in this Hall last year that I pledged to sign Protocol I of that Treaty, and on May 26 I signed it. Since then, due to the encouragement of the countries that pioneered the Treaty, the Soviet Union has ratified Protocol II and Argentina has agreed to ratify the Treaty.

All but one of the countries in the hemisphere eligible to sign the treaty have now signed it. This precedent-setting treaty represents a dramatic advance for the cause of nuclear non-proliferation, and we should not rest until it is complete. I also support the efforts of those who want to extend the spirit of Tlatelolco to other areas of the world, and to conventional arms sales as well.

I believe that restraint in conventional arms sales is also central to the cause of peace. The U.S. has adopted a policy which seeks to reduce the overall sales of weapons each year, especially the most sophisticated, lethal and expensive weapons. As a major arms salesman, the U.S. bears -- and accepts -- a heavy responsibility for limiting this trade, but we cannot succeed alone.

Our efforts will depend on the active participation of the other arms sellers and of arms recipients. Discussions among both groups have already begun.

Check

As we make our efforts, we draw inspiration from the truly historic initiative that Venezuela and the other Ayacucho signators of Ayacucho are making to remove the causes of insecurity from their region, and thereby to reduce the pressures that make nations buy weapons. As the Ayachuco nations prepare for another meeting this week, I reaffirm my country's conviction that their work is bringing us closer to lasting peace, and I express my hope that their weapons purchases efforts can be expanded to other recipients and even to suppliers.

We can also reduce the pressure for armaments -and for regional violence -- by ensuring that all nations
respect the territorial integrity of all others. The
intrusion of foreign military forces into local disputes
can only undermine this cause.

I also support improvements in the peace-keeping and dispute-settling machinery of the O.A.S. and the U.N.

### Human Rights

The rights and dignity of human beings must concern us all, and must be defended and enhanced.

I am convinced that all the peoples of the Americas want a world in which citizens of every country are free from torture, arbitrary arrest, and prolonged detention without trial -- free to speak and think as they please -free to participate in the determination of their own will not be detarred and enthusiastic policy destiny.

My government's policy is openly to promote human

rights -- including economic and social rights -- in whatever ways we can. We prefer to take actions that are positive, but where countries persist in serious violations of human rightsy we will continue to demonstrate that there are costs to the flagrant disregard of international standards.

Above and beyond any actions we take ourselves, we believe multilateral action can ultimately be the most

the protection

effective means of encouraging observance of human rights.

Last year's O.A.S. General Assembly demonstrated how we see Common interest in this important Common interest, sould all act to promote our concern for human rights;

it set the stage for this year's events.

During the past year, the Inter-American Commission
on Human Rights -- one of our region's most important
instruments -- grew stronger. Its budget was tripled,
and it was invited by more governments to investigate and
report on conditions. I commend the reports submitted
to this General Assembly, and urge that their recommendations
be fulfilled.

In the past year, six countries have joined Costa Rica and Colombia in ratifying the American Convention on Human Rights. Three more countries must ratify it for it to come into force. I signed the convention on June 1 of last year when my wife was in San Jose; I pledge my efforts to bring about the United States ratification as soon as possible. We should use this General Assembly

to plan for the moment when the Convention enters into force. We share the view that the present Commission will continue to carry out its mandate until a new Commission is functioning.

The governments whose leaders visited Panama for the ceremony last week have been at the front of the movement for human rights and democracy. A month ago, several of our countries spoke out in support of the democratic election process in a neighboring country. We should continue to speak out the countries of the democratic process.

We realize That

the path from authoritarian to democratic rule can such a be a difficult and demanding one. During this transition and in the midst of the electoral process, my government infinite not to pleades not to show favoritism toward particular

individuals or parties. But we will continually support and encourage political systems that allow their people to participate freely and democratically in the decisions that affect their lives.

The past year has seen a measure of progress. In many countries, political prisoners have been released, states of siege lifted, or constraints on freedom of the press loosened. In the coming year, we hope for more progress. For many in Latin America, the struggle has just begun. But the direction of history toward the expansion of human rights is clear.

Where basic human rights are concerned, all of our governments must be accountable not only to our own citizens, but to the conscience of the world.

### A More Equitable International Economic System

We must also devote our common energies to economic development and to the cause of social justice. The Benefits of world's economy must be more fairly shared -- but the responsibilities must be shared as well.

In many ways, economic issues will be our most important foreign policy concerns in the years ahead. We plan to

give increased emphasis to those economic issues which most directly affect the developing countries -- particularly trade and aid.

I am the first to admit that we have not moved far or fast enough. We have not spoken often enough or candidly enough with each other. We must take every opportunity to work with all nations on these fundamental issues, and we must find new ways to discuss them.

Trade policy will become more and more important, as your economies continue their transformation, with manufactured goods making up a larger and larger proportion of your production and exports.

I have fought hard to resist protectionism, and I
Organization for Economic Cooperation and Development -- OECD -will continue to do so. Within the OECD, we have urged
the healthier economies to grow faster, so as to expand
markets for your exports. In the Multilateral Trade
Negotiations, we seek to reduce barriers to those exports.

Diagonisation on Economic Cooperation

In return, we ask you to join with us in negotiating a reduction of tariff and non-tariff barriers, including international codes to govern the use of government subsidies in international trade. The middle-income developing countries have a special responsibility to help widen world trade by opening their markets to exports from other developing and industrial countries.

Internal markets can complement export markets.

poverty while stimulating your economies of your economies are now large and dynamic enough to provide for both domestic consumption and exports at the same time.

The industrial countries should help to stimulate this growth. As one step to this end, my government we proposes to create a Foundation for Technological Collaboration, which will help to develop and share the skills needed for economic and social growth.

The test of economic development should be it helps foster social justice. We need to help the world's poor lift themselves out of misery. assist governments which find themselves in financial crisis, willing to take when they are taking sound measures of self-help. we need to support regional and sub-regional cooperation and integration through such organizations as the Caribbean Group for Cooperation in Economic Development, which is meeting this week in Washington. The recent decision by several South American countries to establish a balance of payments support fund is a welcome contribution to regional financial stability. The little-noticed increase in intra-regional trade credits and cooperation among central banks testify to the growing maturity and integration of Latin America.

Conclusion

9 15, Herefore,

Peace, human rights, and a just international

economic system -- this is our agenda for cooperation in

this hemisphere and throughout the world.

We set ourselves an ambitious program last year.

Much has been accomplished, but much more remains to be done.

our common problems. It has become particularly effective

in the areas of human rights and peace-keeping. It will

administrative and frameral
become still more effective as its internal structure and

budget comes to reflect the greater equality in our

relationships.

I believe that the mutual respect which characterized the negotiations, debate, and conclusion of the Panama Canal Treaties can become the basis for new relationships in and the hemisphere and the world. With trust, with cooperation wen the most difficult and carious disputes can be settled.

The other in this Western Herrisphere

Year nations, are increasingly important to my

country and to the world.

I do not expect that our views will always coincide, but

I know that

But we share many of the same values and many of the same our common goals: Through consultation, cooperation, and coordination,

The us join together to shape the kind of world we want.

Please, human rights and dignity

# # # #

I do not expect that our views will always coincide, but I know that we share the same basic values. Working together in a spirit of mutual respect and trust we can achieve our common goals: a more just economic system, human rights and disputy, and permanent

# THE CHAIRMAN OF THE COUNCIL OF ECONOMIC ADVISERS WASHINGTON

June 21, 1978

MEMORANDUM FOR THE PRESIDENT

FROM:

Charlie Schultze CLS

Subject:

Preliminary Estimate of Second Quarter GNP

The Commerce Department has circulated within the Federal government its first estimate of second quarter GNP. This estimate, which is never published, is based on very preliminary data and is therefore subject to substantial revision as new data become available.

There is no June data available, and for some of the major GNP components May figures are not yet in. So the numbers are almost as much a forecast as a preliminary estimate.

Real GNP in the second quarter is now estimated by Commerce to have risen at a 7.0 percent annual rate, following no change in the first quarter. We had expected an 8 to 10 percent increase. If this early estimate were to hold up, the annual growth rate of real GNP in the first half would be just 3-1/2 percent, compared with our estimate of 4-1/2 percent.

Compared with the Commerce Department estimates, our forecast for the second quarter was too high in three areas:

- o Federal government spending. Expenditures for the Strategic Petroleum Reserve and for CCC loans apparently are running below our estimates.
- o Inventory investment. The Commerce estimate is lower than ours.
- o Net exports. We had expected more improvement from the poor first quarter performance than the Commerce estimates indicate.

These sources of the difference do not suggest a need to revise our forecast for 1978 as a whole. The Commerce estimate of net exports may be low; imports were boosted early this year by several temporary influences -- the effect of the cold winter on oil imports, the effect of

trigger prices on steel imports, and the rebuilding of foreign car inventories -- and may not rise as much in May and June as Commerce has projected.

More importantly, the growth of private domestic final sales (consumer spending, business fixed investment, residential construction, and State and local government purchases) in the second quarter was estimated by Commerce at 8.4 percent, adjusted for inflation, very close to our estimate of 8.1 percent. The major components of GNP are thus moving close to the forecast track.

## THE WHITE HOUSE WASHINGTON

done

### RECOMMENDED TELEPHONE CALL

TO:

Senator Edward Kennedy

DATE:

June 20 or June 21

RECOMMENDED BY:

Dan Tate

DT/BR

PURPOSE:

To discuss national health insurance.

**BACKGROUND:** 

Senator Kennedy has requested to meet with you for 15 minutes this week to discuss national health insurance. Since you have met with him three times already on this issue, a

telephone call would probably suffice.

DATE OF SUBMISSION: June 20, 1978

Action	<b>1</b>

THE WHITE HOUSE WASHINGTON
June 21, 1978

Zbig Brzezinski

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutchesor

Section Copy Made for Processes

The Coca Cola Company

ATLANTA, GEORGIA

J. PAUL AUSTIN

Parts . car year ()

ADDRESS REPLY TO P. O. DRAWER 1734 ATLANTA, GA. 30301 404-897-2121

June 16, 1978

3619 Info

Mr. Charles H. Kirbo King & Spalding 2500 Trust Company Tower Atlanta, Georgia 30303

Dear Charlie:

Last week I received a letter from Ramon Sanchez-Parodi (see copy of correspondence attached). Mr. Sanchez-Parodi spent about 45 minutes with me elaborating on essentially the sense of the newspaper clipping also attached hereto.

However, he injected a thought which to me at least was new. It came in response to my direct question to him on what were the goals that Castro had set for himself in Africa. He stated that his primary goal was to eliminate any remaining vestiges of western colonialism from the continent which involved repelling insurgents in Ethiopia and South Angola. Then he added, "Fidel will insist upon installing 100% black governments in Namibia and Rhodesia."

Sincerely,

JPA/ses attachments

# Carter Being 'Deceived' By Advisers, Castro Says

By The New York Times

HAVANA — President Fidel Castro charged Tuesday that President Carter had been "manipulated and deceived" by elements in his own administration concerning last month's invasion of Zaire's Shaba Province by Katangan troops, He blamed Zbigniew Brzezinski, the president's adviser on national security.

Castro said, however, that he would be willing to meet with Carter in an attempt to sort out the tangled circumstances behind the invasion and the allegations that flowed from

⊶it.∙

Castro denied with great passion and heat the charges that Cuba had supplied the Katangan rebels and trained them before the invasion in the middle of last month, and said that it has been the policy of his government to avoid "encouragement" of the Katangans since the cessation of the civil war in Angola in early 1976.

In the late-night interview in his office, Castro also said that the developments had caused Cuban-American relations to sink to the lowest point since Carter took office, although, he added, "it is not as bad as it was

during the Nixon administration."

"It is not a half-lie," he said with regard to the charges in Washington that Cubans were involved in the Shaba invasion. "It is an absolute, total, complete lie."

Castro, when asked by a reporter why Carter's "close advisers" would manufacture such allegations, said "I suspect these lies were manufactured to justify the intervention in Shaba," referring to the use of French and Belgian paratroops.

"It was a manufactured lie — manufactured in Brzezinski's office," Castro said. "I think Mr. Carter has been confused and deceived, but I do not think Mr. Carter has deliberately resorted to this himself."

Castro told two visiting congressmen during a nine-hour meeting that ended Tuesday morning that Cuba had been aware of "rumors" of a planned attack by Katangan rebels against Zaire and had persuaded President Agostinho Neto of Angola to issue instructions last February to try to prevent the raid.

The congressmen, Reps. Stephen J. Solarz, D.-N.Y., and Anthony C. Beilenson, D.-Calif., flew back to Washington after the meeting. They said at a news conference Tuesday afternoon that Castro had told them the efforts to head off the attack failed in May because Angolan forces were unable to control the Katangans based in the northern part of Angola and because Neto was ill in the Soviet Union at the time and unable to exercise authority.

As a result of CIA briefings by Adm. Stansfield Turner and the long talk with Castro, Solarz and Beilenson — members of the House International Relations Committee — said that they now had doubts about Carter's case. Solarz said that the administration's evidence was "circumstantial and hearsay in

character."

Castro said, according to the congressmen, that Cuban officials in Angola met with Angolan officials to discuss the situation. They decided, the Cuban leader said, that an attack on Zaire would not be in Angola's best interests.

Their reasoning was that such an attack would create new tensions on the Angolan-Zaire border when Angola, whose forces are engaged in a major guerrilla war in the southern part of the country, needed a tranquil border on the north.

The congressmen said Castro also:

 Confirmed reports that Cubans are training Rhodesian rebels at their Zambian bases and South West African guerrillas in Angola.

 Said he has no intention of letting Cuban troops become involved in Ethiopia's warfare with Eritrean rebels but would not withdraw them from the Ogaden region because Somalia still claims the region.

Cuban troops would remain in Angola in force "so long as the situation is unstable in Zimbabwe, Namibia and South Africa."

The Head of the Cuban Interests Section of the Embassy of the Socialist Republic of Czechoslovakia

June 12 11 Am

Washington, June 1, 1978.

RECEIVED

Mr. Paul J.Austin P.O. Drawer 1734 Atlanta, Ga 30301

JUN 5 1978

J.P.A.

Dear Mr. Austin:

The Vice President of Cuba, Carlos Rafael Rodriguez, was in New York for a few days, attending the Special Session on Disarmament of the United Nations. He would have like to meet you at that time, but unfortunately it was not possible to arrange a meeting during the days Dr. Rodriguez was in New York.

Accordingly, our Vice President instructed me to deliver to you, in person, a very special message on his behalf. Knowing of your very busy schedule, I nevertheless will appreciate if you could spare the time for an interview with me, in order to convey to you Vice President's message.

With deep appreciation to any consideration that you may give to this request, I remain,

Sincerely.

Ramón Sánchez-Parodi

Head of the

Cuban Interests Section

My phone number is (202) 797-8518.